

		FOR OHF USE					

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2004
STATE OF ILLINOIS
DEPARTMENT OF PUBLIC AID
FINANCIAL AND STATISTICAL REPORT FOR
LONG-TERM CARE FACILITIES
(FISCAL YEAR 2004)

IMPORTANT NOTICE
THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

<p>I. IDPH Facility ID Number: 0023218</p> <p>Facility Name: Friendship Vill Schaumburg</p> <p>Address: 350 W. Schaumburg Ro Schaumburg 60194 Number City Zip Code</p> <p>County: Cook</p> <p>Telephone Number: (847) 843-4259 Fax # (847) 884-5718</p> <p>IDPA ID Number: 362815382001</p> <p>Date of Initial License for Current Owners: 01/01/77</p> <p>Type of Ownership:</p> <table><tr><td><input checked="" type="checkbox"/></td><td>VOLUNTARY, NON-PROFIT</td><td><input type="checkbox"/></td><td>PROPRIETARY</td><td><input type="checkbox"/></td><td>GOVERNMENTAL</td></tr><tr><td><input checked="" type="checkbox"/></td><td>Charitable Corp.</td><td><input type="checkbox"/></td><td>Individual</td><td><input type="checkbox"/></td><td>State</td></tr><tr><td><input type="checkbox"/></td><td>Trust</td><td><input type="checkbox"/></td><td>Partnership</td><td><input type="checkbox"/></td><td>County</td></tr><tr><td></td><td></td><td><input type="checkbox"/></td><td>Corporation</td><td><input type="checkbox"/></td><td>Other</td></tr><tr><td></td><td></td><td><input type="checkbox"/></td><td>"Sub-S" Corp.</td><td></td><td></td></tr><tr><td></td><td></td><td><input type="checkbox"/></td><td>Limited Liability Co.</td><td></td><td></td></tr><tr><td></td><td></td><td><input type="checkbox"/></td><td>Trust</td><td></td><td></td></tr><tr><td></td><td></td><td><input type="checkbox"/></td><td>Other</td><td></td><td></td></tr></table> <p>IRS Exemption Code</p> <p>In the event there are further questions about this report, please contact: Name: Steve Lavenda Telephone Number: (847) 236 - 1111</p>	<input checked="" type="checkbox"/>	VOLUNTARY, NON-PROFIT	<input type="checkbox"/>	PROPRIETARY	<input type="checkbox"/>	GOVERNMENTAL	<input checked="" type="checkbox"/>	Charitable Corp.	<input type="checkbox"/>	Individual	<input type="checkbox"/>	State	<input type="checkbox"/>	Trust	<input type="checkbox"/>	Partnership	<input type="checkbox"/>	County			<input type="checkbox"/>	Corporation	<input type="checkbox"/>	Other			<input type="checkbox"/>	"Sub-S" Corp.					<input type="checkbox"/>	Limited Liability Co.					<input type="checkbox"/>	Trust					<input type="checkbox"/>	Other			<p>II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER</p> <p>I have examined the contents of the accompanying report to the State of Illinois, for the period from 04/01/03 to 03/31/04 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.</p> <p>Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.</p> <table><tr><td rowspan="3">Officer or Administrator of Provider</td><td>(Signed)</td><td></td><td>(Date)</td><td></td></tr><tr><td>(Type or Print Name)</td><td colspan="3"></td></tr><tr><td>(Title)</td><td colspan="3"></td></tr><tr><td rowspan="5">Paid Preparer</td><td>(Signed)</td><td colspan="3"></td></tr><tr><td>(Print Name and Title)</td><td colspan="3">Steven N. Lavenda, C.P.A.</td></tr><tr><td>(Firm Name & Address)</td><td colspan="3">Frost, Ruttenberg & Rothblatt, P.C. 111 Pfingsten Road, Suite 300 Deerfield, IL 60015</td></tr><tr><td>(Telephone)</td><td colspan="3">(847) 236-1111 Fax # (847) 236-1155</td></tr><tr><td colspan="4">MAIL TO: OFFICE OF HEALTH FINANCE ILLINOIS DEPARTMENT OF PUBLIC AID 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630</td></tr></table>	Officer or Administrator of Provider	(Signed)		(Date)		(Type or Print Name)				(Title)				Paid Preparer	(Signed)				(Print Name and Title)	Steven N. Lavenda, C.P.A.			(Firm Name & Address)	Frost, Ruttenberg & Rothblatt, P.C. 111 Pfingsten Road, Suite 300 Deerfield, IL 60015			(Telephone)	(847) 236-1111 Fax # (847) 236-1155			MAIL TO: OFFICE OF HEALTH FINANCE ILLINOIS DEPARTMENT OF PUBLIC AID 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630			
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SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg

0023218 Report Period Beginning: 04/01/03 Ending: 03/31/04

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds N/A

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	<u>250</u>	Skilled (SNF)	<u>250</u>	<u>91,500</u>	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>250</u>	TOTALS	<u>250</u>	<u>91,500</u>	7

B. Census-For the entire report period.

	1	2	3	4	5	
	Level of Care	Patient Days by Level of Care and Primary Source of Payment				
		Public Aid Recipient	Private Pay	Other	Total	
8	SNF	<u>11,283</u>	<u>29,483</u>	<u>7,319</u>	<u>48,085</u>	8
9	SNF/PED					9
10	ICF	<u>8,116</u>	<u>30,262</u>		<u>38,378</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>19,399</u>	<u>59,745</u>	<u>7,319</u>	<u>86,463</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 94.50%

D. How many bed-hold days during this year were paid by Public Aid? 60 (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients. (E.g., day care, "meals on wheels", outpatient therapy)
Home Health, Clinic, Adult Day Care

F. Does the facility maintain a daily midnight census? Yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES ☐ NO ☒

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
YES ☒ NO ☐

I. On what date did you start providing long term care at this location?
Date started 1/1/77

J. Was the facility purchased or leased after January 1, 1978?
YES ☐ Date _____ NO ☒

K. Was the facility certified for Medicare during the reporting year?
YES ☒ NO ☐ If YES, enter number of beds certified 250 and days of care provided 7,244

Medicare Intermediary Mutual of Omaha

IV. ACCOUNTING BASIS

ACCRAUAL ☒ MODIFIED CASH* ☐ CASH* ☐

Is your fiscal year identical to your tax year? YES ☒ NO ☐

Tax Year: 3/31/03 Fiscal Year: 3/31/03
* All facilities other than governmental must report on the accrual basis.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number **Friendship Vill Schaumburg** # **0023218** Report Period Beginning: **04/01/03** Ending: **03/31/04**
V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	A. General Services											
1	Dietary	1,408,127	231,878	77,333	1,717,338		1,717,338	(801,995)	915,343			1
2	Food Purchase		1,439,491		1,439,491		1,439,491	(661,781)	777,710			2
3	Housekeeping	324,493	84,557	5,020	414,070		414,070	(356,776)	57,294			3
4	Laundry	182,069	45,080		227,149		227,149	(17,370)	209,779			4
5	Heat and Other Utilities			777,574	777,574		777,574	(669,983)	107,591			5
6	Maintenance	747,205	70,902	527,661	1,345,768		1,345,768	(1,166,696)	179,072			6
7	Other (specify):*			278,898	278,898		278,898	(240,308)	38,590			7
8	TOTAL General Services	2,661,894	1,871,908	1,666,486	6,200,288		6,200,288	(3,914,909)	2,285,379			8
	B. Health Care and Programs											
9	Medical Director			8,400	8,400		8,400		8,400			9
10	Nursing and Medical Records	5,540,603	313,229	280,761	6,134,593		6,134,593	(237,347)	5,897,246			10
10a	Therapy	77,756		335	78,091		78,091		78,091			10a
11	Activities	406,509	1,156		407,665		407,665		407,665			11
12	Social Services	93,325	889	450	94,664		94,664		94,664			12
13	Nurse Aide Training											13
14	Program Transportation			125,500	125,500		125,500		125,500			14
15	Other (specify):*											15
16	TOTAL Health Care and Programs	6,118,193	315,274	415,446	6,848,913		6,848,913	(237,347)	6,611,566			16
	C. General Administration											
17	Administrative	835,280			835,280		835,280	(233,614)	601,666			17
18	Directors Fees			94,225	94,225		94,225	(81,729)	12,496			18
19	Professional Services			276,948	276,948	(3,875)	273,073	(241,238)	31,835			19
20	Dues, Fees, Subscriptions & Promotions			93,325	93,325		93,325	(5,969)	87,356			20
21	Clerical & General Office Expenses	1,020,389	291,039	453,286	1,764,714		1,764,714	(494,130)	1,270,584			21
22	Employee Benefits & Payroll Taxes			2,678,075	2,678,075		2,678,075	(749,013)	1,929,062			22
23	Inservice Training & Education											23
24	Travel and Seminar			29,192	29,192		29,192	(5,478)	23,714			24
25	Other Admin. Staff Transportation			7,757	7,757		7,757	(4,344)	3,413			25
26	Insurance-Prop.Liab.Malpractice			563,913	563,913		563,913	(486,219)	77,694			26
27	Other (specify):*											27
28	TOTAL General Administration	1,855,669	291,039	4,196,721	6,343,429	(3,875)	6,339,554	(2,301,734)	4,037,820			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	10,635,756	2,478,221	6,278,653	19,392,630	(3,875)	19,388,755	(6,453,990)	12,934,765			29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR OHF USE ONLY		
		Salary/Wage	Supplies	Other	Total					9	10	
	D. Ownership	1	2	3	4	5	6	7	8			
30	Depreciation			3,616,126	3,616,126		3,616,126	(2,969,382)	646,744			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			1,678,481	1,678,481		1,678,481	(1,526,319)	152,162			32
33	Real Estate Taxes			472,641	472,641	3,875	476,516	(410,252)	66,264			33
34	Rent-Facility & Grounds											34
35	Rent-Equipment & Vehicles											35
36	Other (specify):*											36
37	TOTAL Ownership			5,767,248	5,767,248	3,875	5,771,123	(4,905,953)	865,170			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers	476,233	754,358	410,064	1,640,655		1,640,655	(408,953)	1,231,702			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops	25,102		56,735	81,837		81,837	(81,837)				41
42	Provider Participation Fee			144,250	144,250		144,250	(7,000)	137,250			42
43	Other (specify):*	44,620		3,551,259	3,595,879		3,595,879	(3,595,879)				43
44	TOTAL Special Cost Centers	545,955	754,358	4,162,308	5,462,621		5,462,621	(4,093,669)	1,368,952			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	11,181,711	3,232,579	16,208,209	30,622,499		30,622,499	(15,453,612)	15,168,887			45

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7.
In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer- ence	3 OHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(757)	2		4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	(0)	30		9
10	Interest and Other Investment Income				10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax		02		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(102,000)	43		24
25	Fund Raising, Advertising and Promotional				25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	Nurse Aide Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule	(15,350,855)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (15,453,612)		\$	30

OHF USE ONLY							
48		49		50		51	

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule*	\$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)			34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (15,453,612)		37

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification.
(See instructions.)

		1 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport.			\$		38
39						39
40	Gift and Coffee Shops					40
41	Barber and Beauty Shops					41
42	Laboratory and Radiology					42
43	Prescription Drugs					43
44	Exceptional Care Program					44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	TOTAL (C): (sum of lines 38-46)			\$		47

Friendship Vill Schaumburg

	ID#	0023218
Report Period Beginning:		04/01/03
Ending:		03/31/04

Sch. V Line

NON-ALLOWABLE EXPENSES		Amount	Reference	
1	Damage Claims Paid	\$ (2,406)	26	1
2	Special Events Corporate	(8,658)	43	2
3	Community Based Programming	(1,266)	43	3
4	Partnership Initiatives	(67,054)	43	4
5	Corporate Philanthropy	(5,969)	20	5
6	Bank and Investment Fees	(146,325)	43	6
7	Sales / Marketing	(1,542,526)	43	7
8	Wages - Pavilion Associates	(55,108)	43	8
9	Wages - Waitstaff	(145,451)	43	9
10	Village Events	(4,986)	43	10
11	Wages - Public Relations	(44,620)	43	11
12	Senior Fitness	(65,564)	43	12
13	Chapel Expense - IL/AL	(533)	43	13
14	Adult Day Service	(261,753)	43	14
15	Assisted Living	(417,673)	43	15
16	Programs & Activites - IL/AL	(144,352)	43	16
17	Fund Raising	(269,260)	43	17
18	Nutritional Supplement Revenue	(28,218)	1	18
19	Incontinency Revenue	(230,420)	10	19
20	Misc. Health Care Income	(2,860)	10	20
21	Wheel Chair Rental	(3,929)	10	21
22	Guest Room Income	(631)	21	22
23	Village Store Income	(81,837)	41	23
24	Space / Clinic Rental	(20,600)	6	24
25	Vending Machines	(3,594)	2	25
26	Gain / Loss Fixed Assets	(50)	6	26
27	Investment Income	(540,688)	32	27
28	Wages - Housekeeping Apts	(318,750)	43	28
29	Refinancing	(25,572)	32	29
30	Remarketing Fee Expense	(12,526)	32	30
31	Non-HCC - Dietary	(773,777)	1	31
32	Non-HCC - Food	(657,430)	2	32
33	Non-HCC - Housekeeping	(356,776)	3	33
34	Non-HCC - Laundry	(17,370)	4	34
35	Non-HCC - Heat & Utilities	(669,983)	5	35
36	Non-HCC - Maintenance	(1,115,107)	6	36
37	Non-HCC - Disposal, Waste	(240,308)	7	37
38	Non-HCC - Administrative	(233,614)	17	38
39	Non-HCC - Director's Fees	(77,816)	18	39
40	Non-HCC - Professional Fees	(198,241)	19	40
41	Non-HCC - Clerical & General	(493,340)	21	41
42	Non-HCC - Employee Benefits	(749,013)	22	42
43	Non-HCC - Insurance	(483,813)	26	43
44	Non-HCC - Depreciation	(2,969,382)	30	44
45	Non-HCC - Interest	(947,533)	32	45
46	Non-HCC - Real Estate Tax	(412,633)	33	46
47	Wages - Home Health	(308,693)	39	47
48	Wages - Clinic	(99,421)	39	48
49	Clinic Supplies	(839)	39	49
50	Excess Bed Tax	(7,000)	42	50
51	Seminar Expense - out of state	(5,478)	24	51
52	Capitalized R&M	(30,839)	6	52

53	Non-Allowable Legal Fees	(33,534)	19	53
54	Jury Duty Income	(138)	10	54
55	Jury Duty Income	(34)	21	55
56	Misc Income	(125)	21	56
57	Misc Income	(100)	6	57
58	Director's Expense	(3,913)	18	58
59	Travel - Out of State	(4,344)	25	59
60	Accrued Real Estate Tax	2,381	33	60
61	Non-Allowable Professional Fees	(9,463)	19	61
62				62
63				63
64				64
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94				94
95				95
96				96
97				97
98				98
99				99
100				100
101	Total	(15,350,855)		101

Summary A

03/31/04

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

[illegible]

Summary B

03/31/04

	Capital Expense	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	D. Ownership													
30	Depreciation	(2,969,382)											(2,969,382)	30
31	Amortization of Pre-Op. & Org.													31
32	Interest	(1,526,319)											(1,526,319)	32
33	Real Estate Taxes	(410,252)											(410,252)	33
34	Rent-Facility & Grounds													34
35	Rent-Equipment & Vehicles													35
36	Other (specify):*													36
37	TOTAL Ownership	(4,905,953)											(4,905,953)	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation													38
39	Ancillary Service Centers	(408,953)											(408,953)	39
40	Barber and Beauty Shops													40
41	Coffee and Gift Shops	(81,837)											(81,837)	41
42	Provider Participation Fee	(7,000)											(7,000)	42
43	Other (specify):*	(3,595,879)											(3,595,879)	43
44	TOTAL Special Cost Centers	(4,093,669)											(4,093,669)	44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	(15,453,612)											(15,453,612)	45

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
				See Attached		

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

YES

X NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
1	V			\$			\$	\$	1
2	V								2
3	V								3
4	V								4
5	V								5
6	V								6
7	V								7
8	V								8
9	V								9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total			\$			\$	\$ *	14

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☐ YES

☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			\$			\$	\$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☐ YES

☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			\$			\$	\$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☐ YES

☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			\$			\$	\$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☐ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			\$			\$	\$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☐ YES

☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			\$			\$	\$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☐ YES

☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			\$			\$	\$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☐ YES

☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			\$			\$	\$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☐ YES

☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			\$			\$	\$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☐ YES

☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			\$			\$	\$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Not Applicable								\$		1
2											2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/03 Ending: 03/31/04

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☒ NO ☐

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization Apartment Community
Street Address 350 W. Schaumburg Road
City / State / Zip Code Schaumburg, IL 60194
Phone Number (847) 884-5000
Fax Number (847) 884-5718

	1	2	3	4	5	6	7	8	9	
	Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	1	Dietary	Meals Ratio	495,607	2	\$ 1,689,120	\$ 1,408,127	268,572	\$ 915,343	1
2	2	Food Purchase	Meals Ratio	495,607	2	1,435,140		268,572	777,710	2
3	3	Housekeeping	Square Feet	422,975	2	414,070	324,493	58,526	57,294	3
4	4	Laundry	Pounds	833,196	2	227,149	182,069	769,481	209,779	4
5	5	Heat & Utilities	Square Feet	422,975	2	777,574		58,526	107,591	5
6	6	Maintenance	Square Feet	422,975	2	1,294,179	747,205	58,526	179,072	6
7	7	Other (Disposal, Waste)	Square Feet	422,975	2	278,898		58,526	38,590	7
8	17	Administrative	Employee Ratio	379	2	835,280	835,280	273	601,666	8
9	18	Director's Fees	Square Feet	422,975	2	90,312		58,526	12,496	9
10	19	Professional Services	Square Feet	422,975	2	230,076		58,526	31,835	10
11	21	Clerical & General	Employee Ratio	379	2	1,763,924	1,020,389	273	1,270,584	11
12	22	Employee Benefits	Employee Ratio	379	2	2,678,075		273	1,929,062	12
13	26	Insurance	Square Feet	422,975	2	561,507		58,526	77,694	13
14	30	Depreciation	Actual		1	3,616,126			646,744	14
15	32	Interest	Square Feet	422,975	2	1,099,695		58,526	152,162	15
16	33	Real Estate Tax	Square Feet	422,975	2	478,897		58,526	66,264	16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					\$ 17,470,022	\$ 4,517,563		\$ 7,073,886	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/03 Ending: 03/31/04

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office
or parent organization costs? (See instructions.) YES ☐ NO ☐

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number
Fax Number

()

()

	1	2	3	4	5	6	7	8	9	
	Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1						\$	\$			1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/03 Ending: 03/31/04

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office
or parent organization costs? (See instructions.) YES ☐ NO ☐

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number
Fax Number

()

()

	1	2	3	4	5	6	7	8	9	
	Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1						\$	\$			1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/03 Ending: 03/31/04

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☐ NO ☐

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number
Fax Number

()

()

	1	2	3	4	5	6	7	8	9	
	Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1						\$	\$			1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/03 Ending: 03/31/04

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office
or parent organization costs? (See instructions.) YES ☐ NO ☐

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization

Street Address

City / State / Zip Code

Phone Number

Fax Number

	1	2	3	4	5	6	7	8	9	
	Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1						\$	\$			1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					\$	\$		\$	25

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/03 Ending: 03/31/04

VIII. ALLOCATION OF INDIRECT COSTS

- A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☐ NO ☐
- B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization _____
Street Address _____
City / State / Zip Code _____
Phone Number () _____
Fax Number () _____

	1	2	3	4	5	6	7	8	9	
	Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1						\$	\$			1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					\$	\$		\$	25

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/03 Ending: 03/31/04

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office
or parent organization costs? (See instructions.) YES ☐ NO ☐

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number
Fax Number

()

()

	1	2	3	4	5	6	7	8	9	
	Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1						\$	\$			1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					\$	\$		\$	25

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/03 Ending: 03/31/04

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office
or parent organization costs? (See instructions.) YES ☐ NO ☐

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number
Fax Number

()

()

	1	2	3	4	5	6	7	8	9	
	Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1						\$	\$			1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/03 Ending: 03/31/04

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☐ NO ☐

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number
Fax Number

()

()

	1	2	3	4	5	6	7	8	9	
	Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1						\$	\$			1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					\$	\$		\$	25

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/03 Ending: 03/31/04

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office
or parent organization costs? (See instructions.) YES ☐ NO ☐

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number
Fax Number

()

()

	1	2	3	4	5	6	7	8	9	
	Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1						\$	\$			1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

1		2		3	4	5	6		7	8	9	10	
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense		
		YES	NO				Original	Balance					
	A. Directly Facility Related												
	Long-Term												
1	IL Health Facility						\$ 16,695,000	\$ 7,485,000			\$ 547,236	1	
2	Refinancing Fees										129,996	2	
3	New Issue						30,770,000	30,182,629			963,151	3	
4												4	
5	See Supplemental Schedule											5	
	Working Capital												
6												6	
7												7	
8	See Supplemental Schedule											8	
9	TOTAL Facility Related						\$ 47,465,000	\$ 37,667,629			\$ 1,640,383	9	
	B. Non-Facility Related*												
10	Non-HCC Adjustment										(947,533)	10	
11	Investment Income										(540,688)	11	
12												12	
13	See Supplemental Schedule											13	
14	TOTAL Non-Facility Related						\$	\$			\$ (1,488,221)	14	
15	TOTALS (line 9+line14)						\$ 47,465,000	\$ 37,667,629			\$ 152,162	15	

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ N/A Line #

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7.
(See instructions.)

SEE ACCOUNTANTS' COMPILATION REPORT

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.
(See instructions.)

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE - SUPPLEMENTAL SCHEDULE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

1		2		3		4		5		6		7		8		9		10	
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense								
		YES	NO				Original	Balance											
	A. Directly Facility Related Long-Term																		
1							\$	\$			\$	1							
2												2							
3												3							
4												4							
5												5							
6												6							
7	TOTAL Long-Term											7							
	Working Capital																		
8							\$	\$			\$	8							
9												9							
10												10							
11												11							
12												12							
13												13							
14	TOTAL Working Capital											14							
	B. Non-Facility Related*																		
15							\$	\$			\$	15							
16												16							
17												17							
18												18							
19												19							
20	TOTAL Non-Facility Related											20							

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7.
(See instructions.)

SEE ACCOUNTANTS' COMPILATION REPORT

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.
(See instructions.)

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

		Important , please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.			
1. Real Estate Tax accrual used on 2003 report.		\$	388,577	1	
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)		\$	493,968	2	
3. Under or (over) accrual (line 2 minus line 1).		\$	105,391	3	
4. Real Estate Tax accrual used for 2004 report. (Detail and explain your calculation of this accrual on the lines below.)		\$	369,631	4	
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)		\$	3,875	5	
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ 2,626 For 1997 Tax Year. (Attach a copy of the real estate tax appeal board's decision.)		\$		6	
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		\$	478,897	7	
Real Estate Tax History:					
Real Estate Tax Bill for Calendar Year:	1999	463,422	8		
	2000	453,000	9		
	2001	585,091	10		
	2002	469,703	11		
	2003	493,968	12		
Line 1. Prior year RE Tax accrual is from the FS.					
Line 4. Current year RE Tax accrual is from the FS.					
Line 6. The refund of 1997 real estate tax of \$2626 is not offset, since 1997 was not a rate setting year.					
Line 7. RE Tax \$478,897 - allocation to non-care \$412,633 (p. 5) = \$66,264 (p. 4, line 33)					
				FOR OHF USE ONLY	
	13	FROM R. E. TAX STATEMENT FOR 2003	\$	13	
	14	PLUS APPEAL COST FROM LINE 5	\$	14	
	15	LESS REFUND FROM LINE 6	\$	15	
	16	AMOUNT TO USE FOR RATE CALCULATION	\$	16	

NOTES:

1. Please indicate a negative number by use of brackets(). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.
This denial must be no more than four years old at the time the cost report is filed

SEE ACCOUNTANTS' COMPILATION REPORT

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates RE: 2003 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2003 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2003.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2003 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2004 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Office of Health Finance at (217) 782-1630.

2003 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Friendship Vill Schaumburg COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0023218

CONTACT PERSON REGARDING THIS REPORT Steve Lavenda

TELEPHONE (847)236-1111 FAX #: (847)236-1155

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2003 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2003.

(A)		(B)	(C)	(D)
Tax Index Number		Property Description	Total Tax	Tax Applicable to Nursing Home
1.	<u>See Attached</u>	<u>Long Term Care Property</u>	\$ <u>493,967.00</u>	\$ <u>63,349.00</u>
2.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
3.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
4.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
5.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
6.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
7.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
8.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
9.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
10.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
TOTALS			\$ <u>493,967.00</u>	\$ <u>63,349.00</u>

B. Real Estate Tax Cost Allocations

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? X YES NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. Tax Bills

Attach a copy of the original 2003 tax bills which were listed in Section A to this statement. Be sure to use the 2003 tax bill which is normally paid during 2004.

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2000 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2000 real estate tax costs, as well as copies of your real estate tax bills for calendar 2000.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2000 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2001 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Office of Health Finance at (217) 782-1630.

2000 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Friendship Vill Schaumburg COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0023218

CONTACT PERSON REGARDING THIS REPORT Steve Lavenda

TELEPHONE (847)236-1111 FAX #: (847)236-1155

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2000 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2000.

(A)	(B)	(C)	(D)
<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	<u>Tax Applicable to Nursing Home</u>
1.		\$	\$
2.		\$	\$
3.		\$	\$
4.		\$	\$
5.		\$	\$
6.		\$	\$
7.		\$	\$
8.		\$	\$
9.		\$	\$
10.		\$	\$
TOTALS		\$	\$

B. Real Estate Tax Cost Allocations

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? YES NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home.
(Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. Tax Bills

Attach a copy of the 2000 tax bills which were listed in Section A to this statement. Be sure to use the 2000 tax bill which is normally paid during 2001.

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 422,975

B. General Construction Type: Exterior Brick Frame Steel Number of Stories 3

C. Does the Operating Entity?

☒ (a) Own the Facility

☐ (b) Rent from a Related Organization.

☐ (c) Rent from Completely Unrelated Organization.

D. Does the Operating Entity?

☒ (a) Own the Equipment

☐ (b) Rent equipment from a Related Organization.

☐ (c) Rent equipment from Completely Unrelated Organization.

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, nurse aide training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable).

590 Independent Apartments - approximate square feet - 364,449

F. Does this cost report reflect any organization or pre-operating costs which are being amortized?

☐ YES

☒ NO

If so, please complete the following:

1. Total Amount Incurred:

2. Number of Years Over Which it is Being Amortized:

3. Current Period Amortization:

4. Dates Incurred:

Nature of Costs:

(Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1		approx. 50 acres	1977	\$ 132,065	1
2					2
3	TOTALS	#VALUE!		\$ 132,065	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg

0023218

Report Period Beginning:

04/01/03

Ending:

03/31/04

XI. OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.**

	1 Beds*	FOR OHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4	180		1997	1997	\$ 1,760,825	\$ 44,021		\$ 44,021	\$		4
5	10		1993	1993	1,102,771	27,569		27,569			5
6	60		1998	1998	2,934,069	73,352		73,352			6
7											7
8											8
	Improvement Type**										
9	Various		1986		748		20	50	50	-	9
10	Various		1988		43,130		20	1,692	1,692	-	10
11	Various		1989		64,348		20	1,093	1,093	-	11
12	Various		1990		39,116		20	2,504	(2,504)	-	12
13	Various		1992		1,555		20	104	104	-	13
14	Various		1993		13,120		20	1,277	1,277	-	14
15	Various		1994		36,357		20	3,511	3,511	-	15
16	Various		1995		272,667		20	26,728	26,728	-	16
17	Various		1996		182,308		20	20,902	20,902	-	17
18	Various		1997		636,288		20	59,989	59,989	-	18
19	Various		1998		1,055,440		20	29,568	29,568	-	19
20	Various		1999		274,179		20	13,482	13,482	-	20
21	Various		2000		266,127		20	15,702	15,702	-	21
22								-		-	22
23								-		-	23
24								-		-	24
25								-		-	25
26								-		-	26
27								-		-	27
28								-		-	28
29								-		-	29
30								-		-	30
31								-		-	31
32								-		-	32
33								-		-	33
34								-		-	34
35								-		-	35
36								-		-	36

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete.

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1 Improvement Type**		3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
37			\$	\$		\$	\$	\$	37
38									38
39									39
40									40
41									41
42									42
43									43
44									44
45									45
46									46
47									47
48									48
49									49
50									50
51									51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67	Related Building Company (Pages 12-BLDG & 12A-BLDG)								67
68	Related Party Allocations (Pages 12-REP & 12A-REP)								68
69	Financial Statement Depreciation			332,030			(332,030)		69
70	TOTAL (lines 4 thru 69)		\$ 8,683,048	\$ 476,972		\$ 321,544	\$ (160,436)	\$	70

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Friendship Vill Schaumburg

0023218

Report Period Beginning:

04/01/03

Ending:

03/31/04

XI. OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.**

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 8,683,048	\$ 476,972		\$ 321,544	\$ (155,428)	\$	1
2	Faucet/Bowls (1731)	2001	240		20	12	12		2
3	Faucet/Bowls (1520)	2001	210		20	11	11		3
4	Faucets (554)	2001	76		20	4	4		4
5	Unit Heater (1521)	2001	211		20	11	11		5
6	Thermostat (1451)	2001	201		20	10	10		6
7	Paint (556)	2001	77		20	4	4		7
8	Paint (1480)	2001	205		20	10	10		8
9	Light Fixtures (633)	2001	88		20	4	4		9
10	Damper (1084)	2001	150		20	8	8		10
11	Roof Repair (857)	2001	119		20	6	6		11
12	Heater (988)	2001	137		20	7	7		12
13	Air Conditioning (203,841)	2001	28,212		20	941	941		13
14	Window Replacement (100,241)	2001	13,873		20	463	463		14
15	Exterior Signage (7,192)	2001	995		20	50	50		15
16	Relocate Facilities (18,900)	2001	2,616		20	131	131		16
17	Fire Alarm System (12,195)	2001	1,688		20	85	85		17
18	Structural Repairs (99,934)	2001	13,831		20	461	461		18
19	Soffit/Facia (9,471)	2001	1,311		20	66	66		19
20	Roof Repairs (10,996)	2001	1,522		20	109	109		20
21	Emergency Signs (10,710)	2001	1,482		20	74	74		21
22	Administration Wing (826,934)	2001	114,448		20	5,722	5,722		22
23	E&F Wing Phase I	2001	1,082,590		20	77,328	77,328		23
24	Landscaping (41,495)	2001	5,743		20	191	191		24
25	Sidewalk Repairs (2,504)	2001	347		20	12	12		25
26	Kitchen Drain Trap (194,740)	2001	26,952		20	898	898		26
27	Electrical Work (1,731)	2001	240		20	12	12		27
28	Bus Door (567)	2001	78		20	4	4		28
29	Backflow Preventer (745)	2001	103		20	5	5		29
30	Heater (1521)	2001	211		20	11	11		30
31	Shower (1192)	2001	165		20	8	8		31
32	Ceiling Fixture (644)	2001	89		20	4	4		32
33	Bathroom Fixtures (2494)	2001	345		20	17	17		33
34	TOTAL (lines 1 thru 33)		\$ 9,981,603	\$ 476,972		\$ 408,223	\$ (68,749)	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Friendship Vill Schaumburg

0023218

Report Period Beginning:

04/01/03

Ending:

03/31/04

XI. OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.**

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		\$ 9,981,603	\$ 476,972		\$ 408,223	\$ (68,749)	\$	1
2	Bathroom Fixtures (1856)	2001	257		20	13	13		2
3	Faucets (717)	2001	99		20	5	5		3
4	Bracket Fixture (524)	2001	73		20	4	4		4
5	Electrical (695)	2001	96		20	5	5		5
6	Bathroom Fixtures (2222)	2001	308		20	15	15		6
7	Wall-Mounted Lamps (1117)	2001	155		20	8	8		7
8	Water Damage Repair (2920)	2001	404		20	20	20		8
9	Electrical (625)	2001	87		20	4	4		9
10	Lamps (2094)	2001	290		20	14	14		10
11	Bracket Fixtures (1220)	2001	169		20	8	8		11
12	Doors (3157)	2001	437		20	22	22		12
13	Bathroom Fixtures (671)	2001	93		20	5	5		13
14	Locks (1010)	2001	140		20	7	7		14
15	Electrical (561)	2001	78		20	4	4		15
16	A/C Cycle Control (630)	2001	87		20	4	4		16
17	Bathroom Fixtures (3031)	2001	419		20	21	21		17
18	Bathroom Fixtures (806)	2001	112		20	6	6		18
19	Circulator Pump (726)	2001	100		20	5	5		19
20	Med Lamps (588)	2001	81		20	4	4		20
21	Pump (817)	2001	113		20	6	6		21
22	Garage Repairs (14,919)	2001	2,065		20	103	103		22
23	Aluminum Dome (5734)	2001	794		20	40	40		23
24	Door (875)	2001	121		20	6	6		24
25	Electric Lock Interface (744)	2001	103		20	5	5		25
26	Bollard Lights (2363)	2001	327		20	16	16		26
27	Med Lamps (1235)	2001	171		20	9	9		27
28	Door Repair (592)	2001	82		20	4	4		28
29	A/C Repairs (2206)	2001	305		20	15	15		29
30	Temperature Controls (655)	2001	91		20	5	5		30
31	Air Conditioning (1129)	2001	156		20	8	8		31
32	Chiller (1016)	2001	141		20	7	7		32
33	Shower (2100)	2001	291		20	15	15		33
34	TOTAL (lines 1 thru 33)		\$ 9,989,848	\$ 476,972		\$ 408,636	\$ (68,336)	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Friendship Vill Schaumburg

0023218

Report Period Beginning:

04/01/03

Ending:

03/31/04

XI. OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.**

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12C, Carried Forward		\$ 9,989,848	\$ 476,972		\$ 408,636	\$ (68,336)	\$	1
2	Panic Device (537)	2001	74		20	4	4		2
3	Air Conditioning (699)	2001	97		20	5	5		3
4	Ceiling Repair (720)	2001	100		20	5	5		4
5	Birch Door (2925)	2001	405		20	20	20		5
6	Dryer Vent Repairs (1680)	2001	233		20	12	12		6
7	Security System Repair (680)	2001	94		20	5	5		7
8	Mailbox Cylinders (631)	2002	87		20	4	4		8
9	Bathroom Fixtures (3359)	2002	465		20	23	23		9
10	Med Lamps (668)	2002	92		20	5	5		10
11	Shower Unit (1757)	2002	243		20	12	12		11
12	Drywall (727)	2002	101		20	5	5		12
13	Bracket Fixtures (907)	2002	126		20	6	6		13
14	Bracket Fixtures (602)	2002	83		20	4	4		14
15	Exit Bar (975)	2002	135		20	7	7		15
16	Swing Door Control (758)	2002	105		20	5	5		16
17	Door Stop/Threshold (550)	2002	76		20	4	4		17
18	Sliding Door Repairs (1100)	2002	152		20	8	8		18
19	Duct Heater (1963)	2002	272		20	14	14		19
20	Ic Console Relay (685)	2002	95		20	5	5		20
21	Air Conditioners (99018)	2002	13,704		20	685	685		21
22	Tuckpointing & Window Replacement (116368)	2002	16,105		20	805	805		22
23	Landscaping (35825)	2002	4,958		20	248	248		23
24	Exterior Signage (40839)	2002	5,652		20	283	283		24
25	E&F Phase II (218307)	2002	218,307		20	10,915	10,915		25
26	Special Care Renovation (25191)	2002	25,191		20	1,260	1,260		26
27	Interior Signage (35825)	2002	4,884		20	244	244		27
28	Dock Rebuild (10814)	2002	1,497		20	75	75		28
29	Replace Doors (4690)	2002	649		20	32	32		29
30	Replace Hot Water Heater (137135)	2002	18,979		20	949	949		30
31	Faucet Repairs (2311)	2002	320		20	16	16		31
32	Shower Unit (3515)	2002	486		20	24	24		32
33	Cooler Repairs (701)	2002	97		20	5	5		33
34	TOTAL (lines 1 thru 33)		\$ 10,303,712	\$ 476,972		\$ 424,330	\$ (52,642)	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Friendship Vill Schaumburg

0023218

Report Period Beginning:

04/01/03

Ending:

03/31/04

XI. OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.**

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12D, Carried Forward		\$ 10,303,712	\$ 476,972		\$ 424,330	\$ (52,642)	\$	1
2	Sensor Repairs (673)	2002	93		20	5	5		2
3	Thermostat (793)	2002	110		20	6	6		3
4	Thermostat (823)	2002	114		20	6	6		4
5	Staining Of Beams (2645)	2002	366		20	18	18		5
6	Speaker Repairs (656)	2002	91		20	5	5		6
7	Light Fixtures (975)	2002	135		20	7	7		7
8	Light Fixtures (516)	2002	71		20	4	4		8
9	Toilets (542)	2002	75		20	4	4		9
10	Thermostat (501)	2002	69		20	3	3		10
11	Roof Scudder (707)	2002	98		20	5	5		11
12	Exit Bar Repairs (641)	2002	89		20	4	4		12
13	Traffic Signs (1081)	2002	150		20	8	8		13
14	Leak Repairs (673)	2002	93		20	5	5		14
15	Outdoor Pole Lighting (3502)	2002	485		20	24	24		15
16	Ac Repairs (4100)	2002	567		20	28	28		16
17	Ac Repairs (510)	2002	71		20	4	4		17
18	Air Compressor Repairs (1007)	2002	139		20	7	7		18
19	Compressor (827)	2002	114		20	6	6		19
20	Heat Exchanger Repairs (523)	2002	72		20	4	4		20
21	Ac Repairs (1294)	2002	1,294		20	65	65		21
22	Tile Repairs (2400)	2002	2,400		20	120	120		22
23	Whirlpool Bath (2077)	2002	2,077		20	104	104		23
24	E&F Section Repairs (13460)	2002	13,460		20	673	673		24
25	Shower/Tile Repairs (3100)	2002	3,100		20	155	155		25
26	Counter Tops (959)	2002	959		20	48	48		26
27	Valve Repairs (1536)	2002	1,536		20	77	77		27
28	Chiller Repairs (1475)	2002	204		20	10	10		28
29	Fan/Belt Repairs (510)	2002	71		20	4	4		29
30	Lumber (866)	2002	120		20	6	6		30
31	Door Switches (673)	2002	93		20	5	5		31
32	Paint (591)	2002	82		20	4	4		32
33	Door Repair (2109)	2002	292		20	15	15		33
34	TOTAL (lines 1 thru 33)		\$ 10,332,402	\$ 476,972		\$ 425,765	\$ (51,207)	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Friendship Vill Schaumburg

0023218

Report Period Beginning:

04/01/03

Ending:

03/31/04

XI. OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.**

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12E, Carried Forward		\$ 10,332,402	\$ 476,972		\$ 425,765	\$ (51,207)	\$	1
2	Door Repair (1573)	2002	218		20	11	11		2
3	Paint (3106)	2002	430		20	22	22		3
4	Paint (632)	2002	87		20	4	4		4
5	Lumber (1038)	2002	144		20	7	7		5
6	Rooftop Hatch Repair (1767)	2002	245		20	12	12		6
7	Blower Bearing - Hvac (544)	2002	75		20	4	4		7
8	Osha - Repair (850)	2002	850		20	43	43		8
9	Osha - Repair (16392)	2002	16,392		20	820	820		9
10	Osha - Repair (20781)	2002	20,781		20	1,039	1,039		10
11	Painting (3277)	2002	3,277		20	164	164		11
12	Laundry Shute (1040)	2002	144		20	7	7		12
13	Security System (619)	2002	86		20	4	4		13
14	Code Alert Repair (997)	2002	138		20	7	7		14
15	Security System (765)	2002	106		20	5	5		15
16	Plumbing/Electrical (601)	2003	83		20	4	4		16
17	Plumbing/Electrical (954)	2003	132		20	7	7		17
18	Wall Fixtures (576)	2003	80		20	4	4		18
19	Emergency Management Systems (735)	2003	102		20	5	5		19
20	Cabinets (1704)	2003	1,704		20	85	85		20
21	Countertop (950)	2003	131		20	7	7		21
22	Security System (696)	2003	96		20	5	5		22
23	Security System (1273)	2003	176		20	9	9		23
24	Healthcare E Pavilion	2003	405,872		20	20,294	20,294		24
25	Friendship Hall Remodel (7705)	2003	1,066		20	53	53		25
26	Healthcare F Pavilion	2003	434,026		20	21,701	21,701		26
27	Air Conditioning (47,961)	2003	6,638		20	332	332		27
28	Tuckpointing & Window Replacement (132,595)	2003	18,351		20	918	918		28
29	Skylight Shades (1080)	2003	150		20	8	8		29
30	Ship/Receive Dock Electrical (3339)	2003	462		20	23	23		30
31	Emergency Generator (5907)	2003	818		20	41	41		31
32	A&D Pavilion Fascia (149,624)	2003	20,708		20	1,035	1,035		32
33	Garage Masonrv Work (7395)	2003	1,024		20	51	51		33
34	TOTAL (lines 1 thru 33)		\$ 11,266,994	\$ 476,972		\$ 472,495	\$ (4,477)	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12F, Carried Forward		\$ 11,266,994	\$ 476,972		\$ 472,495	\$ (4,477)	\$	1
2	Computer Room Upgrade (11,265)	2003	1,559		20	78	78		2
3	Hvac (3758)	2003	520		20	26	26		3
4	Lounge Renovation	2003	30,223		20	1,511	1,511		4
5	Pavement Improvement (13,652)	2003	1,889		20	94	94		5
6	Memory Garden (342,283)	2003	47,372		20	2,369	2,369		6
7	Fire Protection Valve Work (8690)	2003	1,203		20	60	60		7
8	Exit Signs (1325)	2003	183		20	9	9		8
9	Dry System Repair (1412)	2003	195		20	10	10		9
10	Air Compressor (509)	2003	71		20	4	4		10
11	Door Sensor System (1828)	2003	253		20	13	13		11
12	Electrical Ballasts (742)	2003	103		20	5	5		12
13	Roof Repair (588)	2003	81		20	4	4		13
14	Door & Automatic Opener (1798)	2003	249		20	12	12		14
15	Roof Repair (575)	2003	80		20	4	4		15
16	A/C Repair (535)	2003	74		20	4	4		16
17	Walk-In Freezer Repair (705)	2003	98		20	5	5		17
18	Door Repairs	2003	771		20	39	39		18
19	Door Repairs	2003	2,133		20	107	107		19
20	Decorating / Wallcovering	2003	557		20	28	28		20
21	Wandering Alarm System Antenna (1022)	2003	141		20	7	7		21
22	Security System Repair (1555)	2003	215		20	11	11		22
23	Wander Alarm Repair (528)	2003	73		20	4	4		23
24	Wiring (716)	2003	99		20	5	5		24
25	Lock / Panic Bar (525)	2004	73		20	4	4		25
26	Roof Repair (1707)	2004	236		20	12	12		26
27	Auto Door Lock	2004	929		20	46	46		27
28	Fire System (1203)	2004	167		20	8	8		28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 11,356,541	\$ 476,972		\$ 476,972	\$ (0)	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1		3	4	5	6	7	8	9	
Improvement Type**		Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12G, Carried Forward		\$ 11,356,541	\$ 476,972		\$ 476,972	\$ (0)	\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 11,356,541	\$ 476,972		\$ 476,972	\$ (0)	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1 Improvement Type**		3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12H, Carried Forward		\$ 11,356,541	\$ 476,972		\$ 476,972	\$ (0)	\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
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18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 11,356,541	\$ 476,972		\$ 476,972	\$ (0)	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1 Improvement Type**		3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12I, Carried Forward		\$ 11,356,541	\$ 476,972		\$ 476,972	\$ (0)	\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
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22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 11,356,541	\$ 476,972		\$ 476,972	\$ (0)	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1		3	4	5	6	7	8	9	
Improvement Type**		Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12J, Carried Forward		\$ 11,356,541	\$ 476,972		\$ 476,972	\$ (0)	\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
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20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 11,356,541	\$ 476,972		\$ 476,972	\$ (0)	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1	2	3	4	5	6	7	8	9	
	Beds*	FOR OHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation
4					\$	\$		\$	\$	4
5										5
6										6
7										7
8										8
	Improvement Type**									
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25										25
26										26
27										27
28										28
29										29
30										30
31										31
32										32
33										33
34										34
35										35
36										36

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1		3	4	5	6	7	8	9	
Improvement Type**		Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37			\$	\$		\$	\$	\$	37
38									38
39									39
40									40
41									41
42									42
43									43
44									44
45									45
46									46
47									47
48									48
49									49
50									50
51									51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$	\$		\$	\$	\$	70

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1	FOR OHF USE ONLY	2	3	4	5	6	7	8	9	
	Beds*		Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4					\$	\$		\$	\$	\$	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9											9
10											10
11											11
12											12
13											13
14											14
15											15
16											16
17											17
18											18
19											19
20											20
21											21
22											22
23											23
24											24
25											25
26											26
27											27
28											28
29											29
30											30
31											31
32											32
33											33
34											34
35											35
36											36

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1		3	4	5	6	7	8	9	
Improvement Type**		Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37			\$	\$		\$	\$	\$	37
38									38
39									39
40									40
41									41
42									42
43									43
44									44
45									45
46									46
47									47
48									48
49									49
50									50
51									51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$	\$		\$	\$	\$	70

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instructions.)								
	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$1,648,645	\$164,746	\$164,746	\$0	10	\$	71
72	Current Year Purchases	50,255	5,026	5,026	(1)	10		72
73	Fully Depreciated Assets							73
74								74
75	TOTALS	\$1,698,900	\$169,772	\$169,772	\$(0)		\$	75

D. Vehicle Depreciation (See instructions.)*									
	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9
76		96 Chevy Pick-Up	1996	\$8,996	\$	\$	\$	5	\$
77									
78									
79									
80	TOTALS			\$8,996	\$	\$	\$		\$

E. Summary of Care-Related Assets					1	2
		Reference			Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)			\$	13,196,501
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)			\$	646,744
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)			\$	646,744
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)			\$	(0)
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)			\$	

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)					
	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86	Marketing Office (251,389) - 2002	\$34,792	\$3,479	\$10,437	86
87					87
88					88
89					89
90					90
91	TOTALS	\$34,792	\$3,479	\$10,437	91

G. Construction-in-Progress			
	Description	Cost	
92	Garden home construction	\$	92
93	and the renovation of common		93
94	areas within the village	7,487,924	94
95		\$7,487,924	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A
2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?
If NO, see instructions.
- ☐ YES☐ NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$			3
4	Additions							4
5								5
6								6
7	TOTAL				\$			7

8. List separately any amortization of lease expense included on page 4, line 34.
This amount was calculated by dividing the total amount to be amortized
by the length of the lease
-

9. Option to Buy:
- ☐ YES☐ NO
- Terms:
- *

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental?
- ☐ YES☐ NO
16. Rental Amount for movable equipment: \$
- Description:

(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			\$	\$	17
18					18
19					19
20					20
21	TOTAL		\$	\$	21

10. Effective dates of current rental agreement:

Beginning

Ending

11. Rent to be paid in future years under the current rental agreement:

	Fiscal Year Ending	Annual Rent
12.	/2005	\$
13.	/2006	\$
14.	/2007	\$

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

A. TYPE OF TRAINING PROGRAM (If aides are trained in another facility program, attach a schedule listing the facility name, address and cost per aide trained in that facility.)

1. HAVE YOU TRAINED AIDES DURING THIS REPORT PERIOD?

☐ YES

☒ NO

If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.

2. CLASSROOM PORTION:

IN-HOUSE PROGRAM

IN OTHER FACILITY

COMMUNITY COLLEGE

HOURS PER AIDE

☐

☐

☐

3. CLINICAL PORTION:

IN-HOUSE PROGRAM

IN OTHER FACILITY

HOURS PER AIDE

☐

☐

B. EXPENSES

C. CONTRACTUAL INCOME

D. NUMBER OF AIDES TRAINED

		ALLOCATION OF COSTS		(d)	
		1	2	3	4
		Facility			
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	Nurse Aide Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

(a) Include wages paid during the classroom portion of training. Do not include fringe benefits.

(b) Include wages paid during the clinical portion of training. Do not include fringe benefits.

(c) For in-house training programs only. Do not include fringe benefits.

(d) Allocate based on if the aide is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own aides.

(e) The total amount of Drop-out and Completed Costs for your own aides must agree with Sch. V, line 13, col. 8.

(f) Attach a schedule of the facility names and addresses of those facilities for which you trained aides.

SEE ACCOUNTANTS' COMPILATION REPORT

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

	1	2	3	4	5	6	7	8		
	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	39 - 03	hrs	\$		\$ 157,628	\$		\$ 157,628	1
2	Licensed Speech and Language Development Therapist	39 - 03	hrs			121,706			121,706	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39 - 01	hrs	68,119		97,474			165,593	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	39 - 02	# of prescrpts				719,008		719,008	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify): See Supplemental			408,114		33,256	35,350		476,720	13
14	TOTAL			\$ 476,233		\$ 410,064	\$ 754,358		\$ 1,640,655	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as nurse aides, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

This report must be completed even if financial statements are attached.

		1	2	
		Operating	After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 5,060,713	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	2,202,726		3
4	Supply Inventory (priced at)	84,950		4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses	630,527		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>See Attached Schedule</u>	4,059,332		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 12,038,248	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	9,143,101		12
13	Land	12,467,114		13
14	Buildings, at Historical Cost	54,755,668		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	5,394,461		16
17	Accumulated Depreciation (book methods)	(28,308,453)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): <u>See Attached Schedule</u>	11,479,515		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 64,931,406	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 76,969,654	\$	25

		1	2	
		Operating	After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 1,295,511	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	1,415,000		29
30	Accrued Salaries Payable	1,508,986		30
31	Accrued Taxes Payable (excluding real estate taxes)			31
32	Accrued Real Estate Taxes(Sch.IX-B)	369,631		32
33	Accrued Interest Payable	536,742		33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	<u>See Attached Schedule</u>	1,646,757		36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 6,772,627	\$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	36,252,629		39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43	<u>See Attached Schedule</u>	43,928,752		43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 80,181,381	\$	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 86,954,008	\$	46
47	TOTAL EQUITY(page 18, line 24)	\$ (9,984,354)	\$	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 76,969,654	\$	48

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (10,009,339)	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (10,009,339)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	522,162	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants	163,597	11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	()	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe) Net assets released from restriction	(660,774)	15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ 24,985	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ (9,984,354)	24 *

* This must agree with page 17, line 47.

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.
Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

1			
	Revenue	Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	\$ 14,759,299	1
2	Discounts and Allowances for all Levels	(2,358,048)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 12,401,251	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients	471,592	5
6	Therapy	1,288,663	6
7	Oxygen	48,503	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 1,808,758	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	Nurses Aide Training Reimbursements		11
12	Gift and Coffee Shop	182,771	12
13	Barber and Beauty Care	745	13
14	Non-Patient Meals	757	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	858,519	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	9,642	19
20	Radiology and X-Ray	5,875	20
21	Other Medical Services	341,123	21
22	Laundry	48,486	22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 1,447,918	23
	D. Non-Operating Revenue		
24	Contributions	139,414	24
25	Interest and Other Investment Income***	1,894,439	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 2,033,853	26
	E. Other Revenue (specify):****		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>See Supplemental Schedule</u>	13,452,881	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 13,452,881	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 31,144,661	30

2			
	Expenses	Amount	
	A. Operating Expenses		
31	General Services	6,200,288	31
32	Health Care	6,848,913	32
33	General Administration	6,343,429	33
	B. Capital Expense		
34	Ownership	5,767,248	34
	C. Ancillary Expense		
35	Special Cost Centers	5,318,371	35
36	Provider Participation Fee	144,250	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 30,622,499	40
41	Income before Income Taxes (line 30 minus line 40)**	522,162	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 522,162	43

* This must agree with page 4, line 45, column 4.

** Does this agree with taxable income (loss) per Federal Income Tax Return? _____ If not, please attach a reconciliation.

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation. SEE ACCOUNTANTS' COMPILATION REPORT

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)
(This schedule must cover the entire reporting period.)

		1	2**	3	4	
		# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage	
1	Director of Nursing	1,913	2,080	\$ 69,350	\$ 33.34	1
2	Assistant Director of Nursing	4,069	4,424	145,245	32.83	2
3	Registered Nurses	73,012	79,378	2,183,155	27.50	3
4	Licensed Practical Nurses	10,632	11,559	242,294	20.96	4
5	Nurse Aides & Orderlies	185,732	201,926	2,712,603	13.43	5
6	Nurse Aide Trainees					6
7	Licensed Therapist	1,913	2,080	68,119	32.75	7
8	Rehab/Therapy Aides	5,358	5,825	77,756	13.35	8
9	Activity Director	8,215	8,931	219,094	24.53	9
10	Activity Assistants	15,310	16,645	187,415	11.26	10
11	Social Service Workers	5,427	5,900	93,325	15.82	11
12	Dietician	3,826	4,160	73,745	17.73	12
13	Food Service Supervisor	8,416	9,150	176,946	19.34	13
14	Head Cook	1,458	1,585	44,828	28.28	14
15	Cook Helpers/Assistants	79,966	86,938	900,009	10.35	15
16	Dishwashers	24,514	26,651	212,599	7.98	16
17	Maintenance Workers	44,257	48,116	747,205	15.53	17
18	Housekeepers	32,853	35,718	324,493	9.08	18
19	Laundry	18,370	19,972	182,069	9.12	19
20	Administrator	1,913	2,080	85,280	41.00	20
21	Assistant Administrator					21
22	Other Administrative	9,632	10,472	750,000	71.62	22
23	Office Manager					23
24	Clerical	38,309	41,649	1,020,389	24.50	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	14,750	16,036	187,956	11.72	31
32	Other Health Care(specify)					32
33	Other(specify) <u>See Supplemental</u>	23,777	25,851	477,836	18.48	33
34	TOTAL (lines 1 - 33)	613,622	667,126	\$ 11,181,711 *	\$ 16.76	34

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant		\$		35
36	Medical Director	monthly	8,400	09-03	36
37	Medical Records Consultant	monthly	4,274	10-03	37
38	Nurse Consultant				38
39	Pharmacist Consultant	monthly	2,988	10-03	39
40	Physical Therapy Consultant		23	10a-03	40
41	Occupational Therapy Consultant		312	10a-03	41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant				44
45	Social Service Consultant				45
46	Other(specify)				46
47	<u>Dietary Outside Labor</u>		77,333	01-03	47
48	<u>Chapel Honorarium</u>		450	12-03	48
49	TOTAL (lines 35 - 48)		\$ 93,780		49

C. CONTRACT NURSES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses	4,979	\$ 241,744	10-03	50
51	Licensed Practical Nurses	697	29,713	10-03	51
52	Nurse Aides	79	2,042	10-03	52
53	TOTAL (lines 50 - 52)	5,755	\$ 273,499		53

SEE ACCOUNTANTS' COMPILATION REPORT

* This total must agree with page 4, column 1, line 45.

** See instructions.

STATE OF ILLINOIS

Facility Name & ID NumberFriendship Vill Schaumburg# 0023218Report Period Beginning: 04/01/03Ending: 03/31/04Page 21

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
Robert Alston	CEO	0	\$ 238,401
Michael Flynn	CFO	0	151,987
Joseph Xanthopoulos	VP Planning & Adv.	0	136,844
Stephen Yenchek	VP Ops. & Corp. Dev.	0	140,481
Kim Klockenga	Dir of Finance	0	101,140
Eileen Bregianos	Administrator	0	85,280
See Supplemental Schedule			(18,853)
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			\$ 835,280

B. Administrative - Other

Description	Amount
	\$
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)	

C. Professional Services

Vendor/Payee	Type	Amount
Frost, Ruttenberg & Rothblatt	Medicare Consulting	\$ 20,504
Strategy Planning Assoc.	Market Study, Planning (ADJ)	5,520
ARCH Consultants	Development Advisory (ADJ)	1,068
Paquette & Company	Long Range Planning (ADJ)	525
KPMG	Accounting	66,895
McGladrey & Pullen	Bond Rebate Computation	666
AV Powell	Expansion Analysis (ADJ)	2,350
Ceridian Employer Services	Payroll Processing	40,069
HR Advantage	Compensation Project	41,699
Various - See Attached	Legal	97,652
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$2500 attach copy of invoices.)		\$ 276,948

D. Employee Benefits and Payroll Taxes

Description	Amount	
Workers' Compensation Insurance	\$ 211,560	
Unemployment Compensation Insurance	39,905	
FICA Taxes	855,324	
Employee Health Insurance	1,147,840	
Employee Meals		
Illinois Municipal Retirement Fund (IMRF)*		
Retirement / 401K	213,732	
Life Insurance	30,113	
Long Term Disability	31,526	
Employee Assistance Program	195	
Employee Programs	68,168	
Less: allocated to non-care	(749,013)	
See Supplemental Schedule	79,712	
TOTAL (agree to Schedule V, line 22, col.8)		\$ 1,929,062

E. Schedule of Non-Cash Compensation Paid to Owners or Employees

Description	Line #	Amount
		\$
TOTAL		\$

F. Dues, Fees, Subscriptions and Promotions

Description	Amount	
IDPH License Fee	\$	
Advertising: Employee Recruitment	54,840	
Health Care Worker Background Check (Indicate # of checks performed 174)	4,830	
Association Dues	11,378	
Subscriptions / Publications	7,228	
License Expense	9,080	
Less: Public Relations Expense	()	
Non-allowable advertising	()	
Yellow page advertising	()	
TOTAL (agree to Sch. V, line 20, col. 8)		\$ 87,356

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	\$
In-State Travel	
Seminar Expense	23,711
Entertainment Expense	()
(agree to Sch. V, line 24, col. 8)	
TOTAL	\$ 23,711

* Attach copy of IMRF notifications

**See instructions.

SEE ACCOUNTANTS' COMPILATION REPORT

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009
1	N/A		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. LSN \$25,234
- (3) Did the nursing home make political contributions or payments to a political action organization? No If YES, have these costs been properly adjusted out of the cost report? _____
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? _____
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 10 yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 100,580 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation. _____
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease. _____
- (9) Are you presently operating under a sublease agreement? _____ YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES _____ NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.

- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department of Public Aid during this cost report period. \$ 137,250
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation. _____

SEE ACCOUNTANTS' COMPILATION REPORT

- (13) Have costs for all supplies and services which are of the type that can be billed to the Department of Public Aid, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? Yes (see page 8) For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ _____ Has any meal income been offset against related costs? Yes Indicate the amount. \$ 757
- (16) Travel and Transportation
a. Are there costs included for out-of-state travel? No
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. \$ _____
c. What percent of all travel expense relates to transportation of nurses and patients? 100% ln 14
d. Have vehicle usage logs been maintained? N/A
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? N/A
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. \$ _____
- (17) Has an audit been performed by an independent certified public accounting firm? Yes
Firm Name: KPMG The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? Yes If no, please explain. _____
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$2500, have legal invoices and a summary of services performed been attached to this cost report? Yes
Attach invoices and a summary of services for all architect and appraisal fees.